

RECORDATION NO. 27056 FILED

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SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

July 2, 2007

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
395 "E" Street, S.W.
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Assignment of Lease, dated as of June 29, 2007, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Transferor: Citicorp Railmark, Inc.
388 Greenwich Street
New York, New York 10013

Transferee: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, Illinois 60018

Mr. Vernon A. Williams
July 2, 2007
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A description of the railroad equipment covered by the enclosed document is:

186 gondola cars within the series ICE 17000 - ICE 17249 as more particularly set forth in the equipment schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Assignment of Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/sem
Enclosures

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MEMORANDUM OF ASSIGNMENT OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF ASSIGNMENT OF LEASE dated as of this 29th day of June, 2007, is made by Citicorp Railmark, Inc., a Delaware corporation, with an address at 388 Greenwich Street, 20th Floor New York, NY 10013 (the "Transferor"), and First Union Rail Corporation, a North Carolina corporation, with an address at One O'Hare Centre, 6250 River Road, Suite 5000, Rosemont, IL 60018 (the "Transferee" and, together with the Transferor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Transferor, as lessor, and Dakota, Minnesota & Eastern Railroad Corp. (the "Lessee"), as lessee, previously entered into the following documents (collectively referred to as the "Lease Agreement") pursuant to which Lessee leased the railcars identified on Schedule 1 attached hereto (the "Equipment"):

1. Railcar Net Leasing Agreement, dated as of May 5, 2004, between Citicorp Railmark, Inc., as Lessor, and Dakota, Minnesota & Eastern Railroad Corp., as Lessee, but only to the extent relating to Rider 1 thereto (the "Lease").
2. Rider 1 to the Lease, dated May 5, 2004, between Citicorp Railmark, Inc., as Lessor, and Dakota, Minnesota & Eastern Railroad Corp., as Lessee.

WHEREAS, pursuant to a Purchase Agreement dated as of June 29, 2007 between Transferor and Transferee (the "Purchase Agreement"), Transferor agreed to sell the Equipment to Transferee and to assign to Transferee the rights and obligations of Transferor in, to and under the Lease Agreement arising after the date hereof, and Transferee agreed to purchase the Equipment and agreed to such assignment.

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid sale and assignment, and the respective interests therein of the Parties.

NOW, THEREFORE, to accomplish the foregoing, the Parties are filing this Memorandum of Assignment of Lease with the Surface Transportation Board pursuant to 49 U.S.C. Section 11301(a). In the event of any conflict between the provisions of this Memorandum of Assignment of Lease and the Purchase Agreement, the provisions of the Purchase Agreement shall control.

[signature page to follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum of Assignment of Lease to be executed by a duly authorized officer as of the day and year first above written.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Transferor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Transferor. I further declare under penalty of perjury that the foregoing is true and correct.

CITICORP RAILMARK, INC.

By: 

Name: Bradford L. Holley

Title: Senior Vice President

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Transferee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Transferee. I further declare under penalty of perjury that the foregoing is true and correct.

FIRST UNION RAIL CORPORATION

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum of Assignment of Lease to be executed by a duly authorized officer as of the day and year first above written.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Transferor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Transferor. I further declare under penalty of perjury that the foregoing is true and correct.

CITICORP RAILMARK, INC.

By: _____
Name: Bradford L. Holley
Title: Senior Vice President

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Transferee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Transferee. I further declare under penalty of perjury that the foregoing is true and correct.

FIRST UNION RAIL CORPORATION

By: Richard F. Seymour
Name: Richard F. Seymour
Title: Vice President - Sales and Marketing

SCHEDULE 1
TO THE MEMORANDUM OF ASSIGNMENT OF LEASE

THE EQUIPMENT

One Hundred Eighty Six (186) 65' gondola railcars bearing the following car marks and numbers:

	Mark	#
1	ICE	17000
2	ICE	17001
3	ICE	17003
4	ICE	17004
5	ICE	17005
6	ICE	17006
7	ICE	17007
8	ICE	17008
9	ICE	17009
10	ICE	17010
11	ICE	17011
12	ICE	17013
13	ICE	17014
14	ICE	17015
15	ICE	17017
16	ICE	17018
17	ICE	17019
18	ICE	17022
19	ICE	17024
20	ICE	17026
21	ICE	17027
22	ICE	17028
23	ICE	17029
24	ICE	17030
25	ICE	17031
26	ICE	17032
27	ICE	17033
28	ICE	17034
29	ICE	17037
30	ICE	17038
31	ICE	17039
32	ICE	17040
33	ICE	17041
34	ICE	17042
35	ICE	17043
36	ICE	17044
37	ICE	17045
38	ICE	17046
39	ICE	17047
40	ICE	17048

41	ICE	17049
42	ICE	17051
43	ICE	17052
44	ICE	17054
45	ICE	17055
46	ICE	17056
47	ICE	17059
48	ICE	17060
49	ICE	17061
50	ICE	17062
51	ICE	17064
52	ICE	17065
53	ICE	17067
54	ICE	17068
55	ICE	17069
56	ICE	17074
57	ICE	17075
58	ICE	17076
59	ICE	17077
60	ICE	17078
61	ICE	17079
62	ICE	17080
63	ICE	17081
64	ICE	17082
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67	ICE	17086
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75	ICE	17097
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78	ICE	17101
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182	ICE	17244
183	ICE	17246
184	ICE	17247
185	ICE	17248
186	ICE	17249

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 7/2/07



Robert W. Alvord